



THE VICE PRESIDENT
WASHINGTON

March 19, 2009

The Honorable Ed Rendell
Chair
National Governors Association
400 North Capitol Street, Suite 267
Washington, D.C. 20001

The Honorable Jim Douglas
Vice Chair
National Governors Association
400 North Capitol Street, Suite 267
Washington, D.C. 20001

Dear Governor Rendell and Governor Douglas:

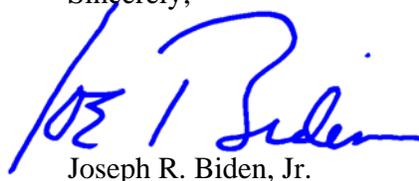
I want to thank you for the leadership that the National Governors Association, and its members, have shown as we begin to implement the Recovery Act. I have very much appreciated our ongoing dialogue – our calls, meetings, and visits – as we shape this program so vital to our nation's economic future.

As we begin the implementation of the Recovery Act, the focus of the federal agencies has turned to determining which types of projects will be funded by the different categories of the Act. As you know, there are many types of projects that are specifically excluded from receiving funding, such as casinos or other gambling establishments, aquariums, zoos, golf courses, and swimming pools. Moreover, the increasingly tough times we face – and specific provisions of the Recovery Act – suggest that some types of projects, though not explicitly prohibited, are inconsistent with the purpose of the Act, and should not be funded. We would like your assistance in getting the word out to your members about the types of projects that should and should not be funded under ARRA. Additionally, we would ask you to convey the message that when marginal projects are identified, the Administration will use its powers to have those projects removed from lists and denied ARRA funding where appropriate. At this critical moment, we simply cannot afford to fund projects that do not meet absolutely critical needs.

Thus, as applications from potential grantees under the Recovery Act come in, we will scrutinize them carefully, under both the Act and the Presidential Memorandum that the President is issuing. I very much appreciate the leadership of NGA and the many individual governors and state officials across the country that are committed to ensuring that projects put forward under the Recovery Act maximize job creation and the other vital goals of the Act, including the commitment to transparency and accountability.

I also appreciate NGA's willingness to provide technical guidance to America's states as they prepare applications under the Act; this is an important safeguard to prevent inappropriate or unwise applications. The federal government will be vigorous in its oversight; working together, we can make sure that the taxpayers' hard-earned dollars are spent on projects that maximize the speed and depth of economic recovery in our country.

Sincerely,



Joseph R. Biden, Jr.